Challenges and Opportunities
Saskatchewan

Protecting Our Environment
March, 1989

The Hon. J. Gary Lane, Q.C.
Minister of Finance
Budget, 1989-90

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Challenges and Opportunities

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Honourable J. Gary Lane, Q.C.
Minister of Finance

This Progressive Conservative Government believes in Saskatchewan's future. By working with the people of this Province, we can undertake exciting new initiatives to make the future our own.

The 1989-90 Budget Address highlights many of the innovative measures that this Government will undertake in the coming year. These new initiatives will position Saskatchewan people to take up the challenges and opportunities presented by a world economy in transition.

This budget document provides the details of these initiatives. It demonstrates our determination to address the needs and aspirations of the Saskatchewan people. It demonstrates our commitment to take a comprehensive, coordinated approach to the development of the Province. It acknowledges the interdependent nature of our rural and urban communities and demonstrates our firm conviction that Saskatchewan must be seen as more than simply the sum of its parts.

The people of Saskatchewan are working together to build on their accomplishments. The initiatives described in this document enable us to build the foundation for a better tomorrow.

Hon. J. Gary Lane, Q.C.
Minister of Finance

Protecting Our Environment

Introduction

Today, governments recognize that it is not only inappropriate, but dangerous to ignore their responsibility to protect the environment. They recognize that they must enact programs and policies to respond to the increasing stress placed on the environment by the activities of mankind.

For its part, this Government has taken a comprehensive, strategic approach to protect and enhance the Province's environment.

First, it has committed itself to the establishment of a long-term strategic plan of action to foster and promote environmentally sensitive economic development in the Province.

Second, it has acted to correct the careless and costly omissions that have occurred under previous governments in the areas of hazardous waste management, water resource management, air pollution, agricultural chemicals, forest management, soil conservation and wildlife protection.

Hazardous Waste Management

In the past, some governments disregarded environmentally dangerous situations. For example, in 1976, the previous government of Saskatchewan ignored a spill of 21,000 litres of PCB fluids in a Regina plant. Two years after this spill occurred that government finally reacted, but only after the public inadvertently became aware of the situation and expressed its concern over the possible PCB contamination of Regina groundwater. Even then, that government was slow to develop an adequate response, waiting nearly five years before implementing a monitoring and site surveillance program.

PCBs

The safe collection, storage and disposal of PCBs and other hazardous wastes remain a major public concern. This Government has acted to address this problem through the implementation of a number of programs to collect hazardous waste. More recently, it introduced stringent new regulations regarding the handling and storage of hazardous products.

In 1989, the Boundary Dam PCB storage facility became operational. At present, there are over 100 PCB storage sites throughout the Province and many of these are in sensitive urban areas. By centralizing the storage of PCBs in a facility that has been specifically designed to receive and safely store these wastes, the Government will be able to deal with this problem until a high temperature incineration facility becomes available. **PCBs, currently in storage in urban communities such as Saskatoon, Regina, Swift Current and Weyburn, will be given priority and transported to the facility this year.**

Agricultural Chemicals

In 1989-90, the Government will implement a program to collect and dispose of hazardous agricultural chemicals which are stored at residences, farms and government storage facilities across the Province. The storage of these unwanted, highly toxic chemicals may pose an extreme risk to those people who store them or reside near storage facilities. In addition, if improperly discarded, these chemicals could also present an extreme hazard to the environment. This new program will ensure that these dangers are eliminated.

Leaded Fuel

Recently, the Government announced that it will:

- increase fines levied under existing provincial environmental statutes;
- introduce new provincial legislation to protect the earth's ozone layer from the damaging effect of chlorofluorocarbons (CFCs); and,
- introduce new provincial legislation to enable the taxing of environmentally harmful products.

As the first initiative under the environment tax, the Government will eliminate the price differential between leaded and unleaded gasoline by applying a 2 cents per litre non-rebatable surcharge to leaded fuel. Until such time as appropriate legislation is introduced, this surcharge will be collected under The Fuel Tax Act. This measure recognizes the contribution that users of unleaded fuel have made to environmental protection and will reduce further the use of leaded fuel before sales terminate in 1990.

Hazardous Waste Handling and Disposal

The Government also recognizes that these important measures must be supplemented with a strategy for the handling and safe disposal of hazardous waste materials. **This year, monies will be allocated to develop a comprehensive waste management, handling and disposal system for the Province.** As a first step, the Government intends to solicit input through public meetings. These meetings will obtain the information required to develop this system and to identify a provincial site for a hazardous waste disposal facility.

Waste Management

The accumulation of waste materials such as cans, bottles and newspapers is now a major problem for many North American communities. This Government recognizes the need to prevent this problem in Saskatchewan.

As a first step, it implemented a recycling program for aluminum cans and plastic bottles through SARCAN Recycling Inc., a subsidiary of the Saskatchewan Association of Rehabilitation Centres (SARC). This new container collection and recycling program now employs over 100 disabled people and has become a

model that other provincial governments have indicated they intend to follow. As well, the four Western Environment Ministers recently agreed to cooperate on a joint venture to expand recycling activities in the West.

In 1989-90, the Government will expand on its recycling activities by undertaking a "blue box" pilot project. This project will provide collection boxes so that Saskatchewan residents can deposit products such as newspapers, cans and bottles for recycling.

Protecting Water Quality

The Government is committed to ensuring that the Province's water resources are protected. It has already established seven regional offices throughout the Province to provide communities with technical advice and assistance regarding water quality. As well, it has strengthened the Province's water pollution control and waterworks regulations to better protect the environment and it has upgraded provincial water quality guidelines to ensure the quality of the Province's water for different uses.

New Water Quality Management System

In order to provide further protection for Saskatchewan's water resources, **the Government will be allocating monies in this Budget to implement a water quality management system.**

This new system is designed:

- to ensure the safety of drinking water in our communities;
- to obtain, for the first time, water quality information on waterbodies in Northern Saskatchewan and to update information on recreational lake water quality for cottagers;
- to revise transboundary water management agreements;
- to upgrade the monitoring and control of industrial wastewater; and,
- to develop water quality objectives for Saskatchewan water basins.

Water and Sewer Projects

In the late 1950s and early 1960s, many Saskatchewan communities took advantage of developing technology and government assistance programs to construct wastewater treatment and disposal systems. The main component of these works was the wastewater stabilization pond or lagoon.

Today, many of these systems are approaching the end of their useful lives and there is now a growing concern over the potential danger of contamination to groundwater drinking supplies and damage to agricultural lands.

The costs associated with correcting this problem would place a heavy financial burden on our communities. **Accordingly, the**

Government will implement a new six-year, $100 million Municipal Capital Program to assist urban and rural municipalities. It is expected that community water and sewer projects will have priority under this Program.

To complement the new capital grant Program, **urban and rural municipalities will now be able to obtain up to 100 per cent of their capital financing requirements for water and sewer projects from the Municipal Financing Corporation.** To further assist municipalities, the Government will encourage the Saskatchewan Municipal Board to approve the financing of water and sewer projects over longer terms.

At the present time, laboratory capacity for a full range of water sample testing and trace organics analysis does not exist in the Province. **In this Budget, monies have been set aside for a study on the feasibility of an Environmental Trace Organics Laboratory for the Province. Funds will also be provided in this Budget to improve the Toxicology Research Centre's ability to analyse toxic substances.**

Agricultural Biotechnology

Another major source of possible contamination to our water supplies is the runoff of agricultural chemicals to surface water and its seepage to groundwater. The Government has implemented programs and enforced regulations to ensure appropriate chemical application rates. It has initiated research on the long-term effects of pesticide use and it has put in place programs to monitor surface water and groundwater contamination from these chemicals.

The Government recognizes, however, that these important measures do not provide the Province with a long-term solution to the problem of agricultural chemical contamination. For this reason, the Government has allocated significant funds to agricultural biotechnology research and product development.

In order to enhance these efforts, this Budget will be providing $9 million over five years to Ag-West Biotech Inc., a Saskatchewan agricultural biotechnology research and commercial development company.

The new science of agricultural biotechnology has not only demonstrated its potential for developing environmentally safe biopesticides, but for improving animal and crop production and developing new commercially viable products and value-added processing.

To realize these benefits, Saskatchewan must develop a strategic approach to coordinating, focusing and actively supporting further agricultural biotechnology research and commercial development.

It is expected that Ag-West Biotech Inc. will provide the mechanism for this strategic approach.

Preserving and Enhancing the Natural Environment

This Government has protected Saskatchewan's habitat which supports our native plant and animal species.

During the past six years, the Government has undertaken a number of significant initiatives in the area of water and wildlife conservation. Many of these projects, including the 15-year, $1.5 billion North American Waterfowl Management Plan and the five-year, $10 million plan to establish the Grasslands National Park, require national and international coordination. Because of the efforts of the Minister of Parks, Recreation and Culture, this Province has been able to act as a leader in these and other projects and as such Saskatchewan is recognized internationally for its endeavors in this area.

Recently, the Minister of Parks, Recreation and Culture was presented with the Ernest Thompson Seton Award by the International Association of Fish and Wildlife Agencies in recognition of the Minister's efforts to ensure the scientific and environmentally sensitive management of wildlife.

This is the first time that this Association has recognized a Government Minister in this manner.

This Budget includes a number of important new initiatives that will enhance our efforts to preserve our natural heritage for the benefit of future generations.

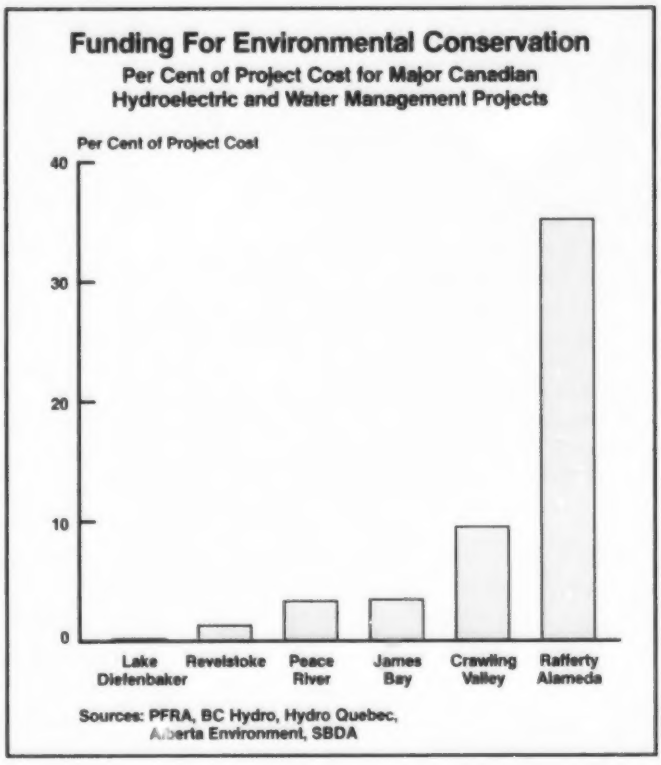
This year, the Government will provide more than $5 million to continue with its program to renew Saskatchewan's forests by planting 50 million seedlings over five years.

In 1989-90, funds will also be allocated to consolidate our natural ecosystem data inventories. The consolidation of information on natural vegetation, wildlife, threatened and endangered species will play a critical role in developing a provincial conservation strategy. This project will involve several government agencies, the Saskatchewan Wildlife Federation, Ducks Unlimited and our universities.

The Rafferty-Alameda Project

As part of the Government's commitment to ensure that there are no negative environmental impacts resulting from the Rafferty-Alameda Project, **the New Careers Corporation will employ 60 welfare recipients to relocate the Doctor Mainprize Park and to develop new wildlife habitat.**

This project is only one of many that will be undertaken by this Government to enhance the environment in the area of the Rafferty-Alameda Project. **The Government will spend 35 per cent of total project costs on environmental conservation initiatives.** No previous Saskatchewan Government has ever committed itself to environmental conservation programs of this scope and magnitude. Indeed, it should be noted that the provincial government of the day devoted minimal funds toward environmental conservation for the Lake Diefenbaker Project.



The development of the Rafferty-Alameda Project will have a positive impact on the region's environment as the ecological benefits from this Project will be substantial.

- There will be no net loss of wildlife habitat as a result of the development of the Rafferty-Alameda Project. The Government will acquire 15 sections of land surrounding the reservoirs in order to fulfill this obligation. This is the first time that such a commitment has ever been made for a multiple-use water conservation project in Western Canada.
- The Government will also create an ecological reserve on the Souris River downstream from Estevan. Wetlands will be created adjacent to the Rafferty Reservoir and the majority of islands within the Rafferty Reservoir will be designated as critical wildlife habitat. The Government will also establish a $750,000 Wildlife Depredation Trust Fund to address future deer and waterfowl depredation problems, should they arise.
- The Shand Power Station, with it's use of new absorbent technology, will meet all federal and provincial emission standards. In addition, the Station will use a "zero discharge" system and as a result there will be no return flows of warm water back into the Souris River.

The Rafferty-Alameda project has complied with provincial environmental assessment legislation through a joint federal-provincial review.

It is an environmentally sound project.

It will also provide important economic and recreational benefits to the people of Saskatchewan. The Shand Power Station will provide much needed electricity for new enterprises, such as the NewGrade/ Co-op upgrader in Regina. The Rafferty and Alameda Reservoirs will enhance the wildlife, waterfowl and sport fish habitat of the south-east region of the Province. It will also create much needed water-based recreation opportunities in the area. Tourism, cottage development and recreation-related industries will diversify the economy and improve the region for visitors and residents alike.

The Rafferty-Alameda Project is a truly sustainable economic development initiative. The benefits of the Project are improved water management, flood control, municipal and industrial water supplies, increased water-based recreation and enhanced wildlife, waterfowl and fish conservation.

Soil Conservation

Soil degradation caused by erosion, salinization and loss of nutrients is one of the major ongoing environmental concerns in Saskatchewan.

This Government has taken a number of significant initiatives to ensure that Saskatchewan is at the leading edge in the development of new farming techniques and alternative crop production to promote better soil management. Last year, **the Government made a commitment to spend $15 million over five years from the Agriculture Development Fund for innovative research and development programs to conserve our soil resources and to protect the long-term viability of our agricultural industry.**

In addition, the Government initiated a three-year Save Our Soils Program to encourage soil and crop management practices that control wind and water erosion, soil salinity and declining nutrient levels. So far, this Program has provided funding to eleven Agricultural Extension District Boards for a variety of educational activities and field demonstrations. The Government also played a crucial role in the creation of the Saskatchewan Soils Conservation Association, an organization that promotes farm management practices to reduce soil degradation.

These soil conservation initiatives are beginning to show positive results, but the Government recognizes the need for further effort to restore and rehabilitate Saskatchewan's soil resources. Many other groups in Saskatchewan share this view. A brief submitted by the United Church of Canada as part of the annual Religious Delegation Meeting with Cabinet, recommended that the Government implement additional programs to encourage farming practices that will restore the land.

In 1989-90, funding will be made available to enter into a three-year $54 million Soil Conservation Agreement with the Government of Canada.

- Under this Agreement, the Government intends to implement a Field Shelterbelt Planting Program to plant approximately 2,100 miles of field shelterbelts across the Province annually.
- The Agreement will also provide funds for an innovative Permanent Cover Program. This Program, the first of its kind in Canada, will provide financial incentives for farmers to seed marginal lands with perennial forages or trees and shrubs for recreation, wildlife or forestry purposes. The Program will eliminate the damage done to soils through annual crop production on environmentally fragile lands.
- Finally, the Agreement will provide funds for a new Marginal Land Use Adjustment Program. The Program will offer technical and financial assistance to organized groups for the establishment of permanent cover on irrigated lands no longer suitable for irrigation farming practices.

The Greenhouse Effect

In recent years, the people of Saskatchewan have become increasingly aware of the effect that the warming of the earth's atmosphere could have on their quality of life. In this regard, the greenhouse effect is becoming more widely recognized as a phenomenon that we must better understand in order to assess the potential long-term impact that it may have on the Province.

In 1989-90, the Government will undertake a research study on the impact of the greenhouse effect on Saskatchewan to develop a plan of action to mitigate any negative effects.

The results of this study will serve as a key component in an integrated environmental strategy for the Province.

Pest Eradication

It is estimated that rats cause at least $30 million damage each year in Saskatchewan through the loss of foodstuffs and damage to buildings. In addition, rats transmit disease to humans and livestock, resulting in further significant costs.

It is the intention of this Government to eliminate this pest in Saskatchewan. **This year, as part of a six-year program, the Government will allocate $1.6 million to implement a thorough and complete eradication program.**

Sustainable Economic Development

Last year, the Government announced that it would address the recommendations of the National Task Force on Environment and Economy. As a first step, the Government established the Premier's Round Table on Environment and Economy. **The Round Table, consisting of both public and private sector decision-makers, will**

provide a forum for the development of a provincial conservation strategy as well as for an environmentally sound approach to economic development in the Province.

Conclusion

The protection of our environment remains an important priority for this Government.

This year, the Government will allocate over $22 million to fund initiatives that will preserve and enhance the environment.

It is the Government's intention to ensure that the past mistakes and omissions of previous Saskatchewan governments are not repeated. This Government will continue to take positive action to preserve Saskatchewan's natural environment for the benefit and enjoyment of current and future generations.